

Message Text

UNCLASSIFIED

PAGE 01 PARIS 19134 121822Z

71

ACTION IO-14

INFO OCT-01 CIAE-00 CU-04 INR-10 NSAE-00 RSC-01 USIA-12

AF-10 ARA-16 EA-11 EUR-25 NEA-10 ADP-00 RSR-01 /115 W

----- 066721

R 121635Z JUL 73

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 1740

UNCLAS PARIS 19134

NESCO

EO 11652 N/A

TAGS AORG AFIN UNESCO

SUBJECT UNESCO FINANCIAL SITUATION

REF (A) 134142; (B) PARIS 18565

1. ACTING PERM REP RE-CHECKED WITH UNESCO BUDGET DIRECTOR RAO ABOUT POINTS OUTLINED IN REF B AND ABOUT DEPT'S TACTICAL PLAN CONCERNING HANDLING OF BUDGET DEFICIT SET FORTH IN REF A.
 2. RAO REITERATED THAT SEQUENCE IN HIS SCENARIO IS ACCURATE PICTURE OF PRESENT THINKING HERE REGARDING PROCEDURE TO BE FOLLOWED AT EMERGENCY GEN CONF AND EXPLAINED THAT IF TEN CONF SHOULD APPROVE US-PROPOSED LOAN AUTHORITY FOR DG FOR SUGGESTED FIVE YEARS THAT RE-PAYMENTS OF THIS LOAN, JUST AS REPAYMENT OF SUPPLEMENTAL ESTIMATE ALREADY APPROVED BY 92ND EXBD, WILL BE SEPARATE ITEM ON ASSESSMENT OF EACH MEMBER STATE EACH YEAR, TREATED JUST AS REFUND TO WORKING CAPITAL FUND. IN SHORT, IF LOAN AUTHORITY FOR FIVE YEARS APPROVED, AMORTIZATION COST PER YEAR WILL BE ALWAYS CONSIDERED AS REPAYMENT OF DEFICIT IN 1973-1974 BUDGET AND WILL NEVER BE INCLUDED IN BUDGET OF SUBSEQUENT BIENNIA AS IT WOULD HAVE NO LOGICAL RELATION TO BUDGET FOR THOSE PERIODS. IN SHORT, ANNUAL BILL TO US GOV WOULD CONSIST OF
- UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PARIS 19134 121822Z

REGULAR PAYMENT FOR CURRENT BIENNium PLUS SPECIAL

ASSESSMENT TO REPAY DEFICIT OF 1973-4 BIENNium.

3. RAO ALSO SAID HE NOW ESTIMATED UNESCO'S DOLLAR DEVALUATION DEFICIT AT FROM \$13-14 MILLION, OF WHICH \$2.9 MILLION COVERED BY 92ND EXBD'S SUPPLEMENTAL ESTIMATE, LEAVING NET DEFICIT TO COVER AT EMERGENCY GEN CONF OF \$10 TO \$11 MILLION.

4. FINALLY RAO REPORTED THAT DG WILL PROPOSE PROGRAM REDUCTIONS TALLING ONLY \$2.2 MILLION RATHER THAN \$2.6 MILLION AS INDICATED BY 92ND EXBD. RAO CITED AS REASON THAT ADMINISTRATIVE AND OTHER SAVINGS NEEDED TO MEET INCREASED INFLATIONARY COSTS HAVE MADE IT --IN MINDS OF SECRETARIAT THAT IS--EXTREMELY DIFFICULT TO PROPOSE FURTHER REDUCTIONS WITHOUT SERIOUSLY DISTURBING PROGRAM APPROVED BY 17TH GC.IRWIN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 12 JUL 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973PARIS19134
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730738/aaaabbne.tel
Line Count: 76
Locator: TEXT ON-LINE
Office: ACTION IO
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 73 (A) 134142; (B) PARIS 18565
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 04 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04-Dec-2001 by phillir0>; APPROVED <12 MAR 2002 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNESCO FINANCIAL SITUATION
TAGS: AORG, AFIN, UNESCO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005